

A territory flowering towards statehood

While most of Australia may view the Territory as an outpost, largely populated by would-be clones of Crocodile Dundee, the denizens of the north say it's the south which is out of touch with the real world. This special section, prepared by JOHN STACKHOUSE, examines the far north — eager for development.

IF DARWIN ever gets round to hosting the Olympic Games, it could maintain the tradition of introducing a new sport, inevitably Canberra-bashing. You don't have to spend long in the Northern Territory before you have to agree that the relationship between the embryo state and the bureaucracy in the distant national capital, 3400km from Darwin, is one of resentment.

Legally and practically, the Territory is a colony of the federal government and its public service. Canberra's writ affects almost every aspect of life in Darwin or Alice

Springs, in Katherine or Nhulunbuy, from Kulgera on the South Australian border more than 1600km to the northern tip of the Cobourg Peninsula beyond Darwin.

A few weeks in the Territory, particularly the Top End and your view of Australia starts to change. We who live in the southern states look at Darwin as an outpost. The view from Darwin is that Melbourne and Sydney, both about 3200km away, are the places that are isolated from the real world. The first outposts of Indonesia, the Tanimbar Islands, are only about 20 minutes flying time from Bathurst

Island. Darwin yachties race to Ambon in eastern Indonesia. Jakarta (3230km) is as far away as Melbourne and Sydney, and Singapore is only 200km more distant. This closeness to Asia is reflecting more and more in tourism and trade. The high-rolling gamblers who use the electronically guarded private salons at the Diamond Beach casino are from Singapore, Thailand, Malaysia, Hong Kong or Indonesia for the most part.

As Sydney writer Hamish McDonald put it in the Far Eastern Economic Review, geography alone does not explain the way the Territory is evolving. "Portrayed in the south as a xenophobic, Philistinic sort of a place where the passage of life is measured by the stubby, Australia's northwest seems to be emerging strangely enough as the part of the country most closely attuned to its Asian neighborhood," McDonald wrote recently. "What gives the area its Asian flavor is that the people (except for the Aborigines) in the vast segment of the continent between the Gulf of Carpentaria and the Pilbara have a development mentality, an attitude out of fashion in the conservation-minded south of Australia but close to the way many Asian elites think about economies and the environment."

For the Territory's politicians, both Labor and ruling Country Liberal Party, the Territory is ripe for statehood, and achieving this is now the government's prime external objective. They are not fazed by the fact that its 1.34 million square kilometres — about a sixth of the Australian land mass — have only 146,000 people, or just about the quota McDonald's requires for a single hamburger franchise. About one-quarter are Aborigines.

Even more than their fellow Australians, Territorians like to think of themselves as tough, bronzed outdoor lovers in the Crocodile Dundee image: wrestling with buffalos, hauling in giant barramundi before breakfast and camping out in the desert or bush in their four-wheel-drive rigs. But most live in towns and cities — 61,000 in Darwin alone, 21,000 in Alice Springs, about 5000 in Katherine and the rest in a scatter of smaller settlements. About a third work for various levels of government.

Achieving statehood will be difficult. There are entire Canberra bureaucracies which have built an industry out of Aborigines and national parks in the Northern Territory. Any national constitutional advance also frightens politicians from the states, both houses of federal parliament and from all parties. A recent Senate sub-committee looked at the possible impact of fuller Territory representation in Canberra and worried that it could upset the national political balance.

"They paint it as the potential end of western civilisation, comparable to Hitler's takeover of the Weimar Republic," Paul Everingham, sole Northern Territory member of the House of Representatives and former chief minister, told a law society conference in Darwin. The red-necked vandals are seen as ready to invade, to rape and pillage."

The Territory had been aiming at full statehood by 1988. Chief Minister Steve Hatton has lowered the target in terms of time. If statehood is to be achieved, the Northern Territory advance will have to be on three fronts — political, economic and cultural. This special *Bulletin* survey will focus on the statehood issue and its development.

POLITICS

Strategy for independence

CHIEF Minister Steve Hatton believes statehood is vital if the Northern Territory is to develop and build up its population and economy and has mapped out a comprehensive strategy to achieve it. In so doing, he has also sought to involve the Opposition.

The three groups working towards taking the Territory into the federation by 1988 are:

- A parliamentary select committee which will have the task of preparing a state constitution.
- An office of constitutional development in Hatton's own department, which will administer the moves.
- A statehood executive group, which will co-ordinate the government's approach and support it with research and analysis.

Hatton's policy calls for attainment of constitutional equality with other states, political representation in both houses of federal parliament and the settlement of "secure financial arrangements".

In its present form of selfgovernment, which was meant to be transitional, the Territory suffers considerable disadvantages, Hatton says.

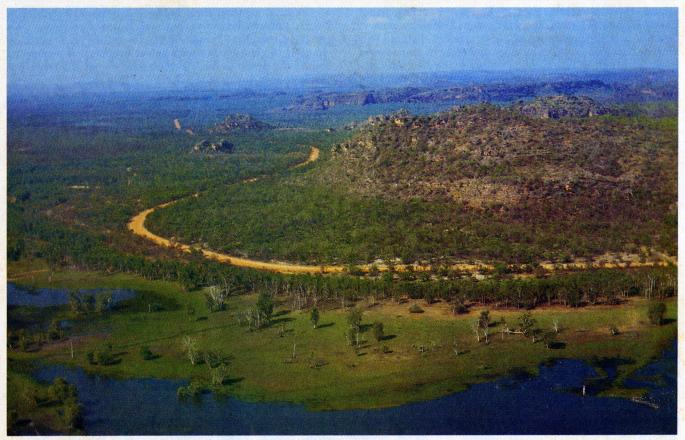


Steve Hatton: "No fanciful formulas"

Northern Territorians lack the constitutional rights of citizens of the states and the Territory can be saddled with federal legislation, such as the Aboriginal Land Rights Act. Statehood would, he says, also ensure that the huge land acquisitions that have been made to establish Kakadu and Uluru national parks could only be done if the Territory were compensated. At present, ownership of uranium is vested in the commonwealth. Hatton wants to see title bestowed to the new state so it could enjoy the \$85 million of royalties which mining has generated.

Hatton also says that commonwealth legislation like the fringe benefits tax heavily penalises the Territory which must pay about \$12 million because of the houses and vehicles it provides for teachers, nurses, police and government officers in remote places. Even if Queensland is successful in its high court action challenging the validity of the tax, the Territory won't be off the financial hook because it lacks the protection of the commonwealth constitution.

"Control of land is fundamental," Hatton said in a policy statement recently. "The new state lays claim to title of all land related to state-type purposes in the Territory including land at present held by the commonwealth or commonwealth authorities." On land rights, Hatton says "patriated" legislation will provide for more flexible title for Aborigines and full consultation.



In Kakadu, Jabiluka's gold and uranium mine (close to road in foreground) can't be mined: "We want it," says the Territory

He criticises the fact that the present legislation applies only to the Northern Territory. He says justice requires either that national legislation be brought down — a move the Hawke government has backed away from — or the new state should be allowed to frame its own.

Hatton says his government does not want a minimum of five members in the House of Representatives (as Tasmania enjoyed as a founding state). It believes normal population growth will shortly entitle it to a second.

In the Senate, however, he maintains the Territory is entitled to equal representation as it is the states' house. "Our claim to equality is unequivocal, incontestable and will not be compromised," Hatton said. "However, we recognise as a matter of political reality that achievement of immediate parity will not be easy. If we are forced to concede immediate equality, we will insist on eventual equality based on a binding formula which includes a reasonable initial representation and a short time-frame to achieve equal numbers.

"No fanciful formulas, like the one which requires the Territory to have a population of about 2.5 million before we are allowed equal representation, will be countenanced.

"Without Senate equality, the Territory will never get the necessary clout in

the federal parliament to advance the cause of northern development and the means to correct the gross imbalance between the less and the more populated parts of Australia."

On the question of costs, Hatton says that as the federal government is reducing its expenditures to the Territory to match those of the states, there will be no extra costs involved. The fact that after 1988 the Territory will financially be regarded as a state is a prime argument for statehood.

As no new states have been admitted to the federation since 1901, the way in which it is done will provide a bunfeast for politicians and lawyers.

At a conference in Darwin on statehood, the Northern Territory Law Society heard the Federal Court's Justice John Toohey of Perth point out that the formula under section 121 of the constitution would be to "establish" rather than "admit" the seventh state. Commonwealth parliament, he said, could also impose conditions such as limits on parliamentary representation.

While agreeing that commonwealth legislation on land rights and uranium had been enacted under its territories' powers, Toohey said other powers might be invoked to maintain controls even after statehood.

Professor Colin Howard also said representation might be limited. "The

Northern Territory can argue for equal representation with the rest (of the states) but there is no reason of law why its arguments should be successful," he added. However, giving his personal opinion, he said: "I can see no reason why a state of Northern Australia, being part of domestic Australia, with a population made up mostly of perfectly genuine Australians should not have the same representation in federal parliament as any other state."

Peter Bayne, senior lecturer in law at the Australian National University called for the proposed constitution to reflect the individual circumstances of the Northern Territory. Consultation with the Aboriginal community would be essential. It might also be necessary to incorporate traditional Aboriginal law in the new constitution.

Despite the pressure which the Hatton government is applying on statehood, many ministers will admit privately than statehood by 1988 is unlikely. Some would favor a commitment to statehood by the Bicentenary and establishment of the state of the Northern Territory (research has shown that Territorians still want to be called Territorians) by about 1992, with full representation being achieved by 2001, the centenary of federation when the Northern Territory population could be approaching 1 million.

A bright business future

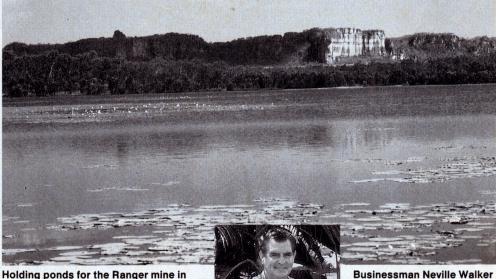
IF THE rest of Australia is stagnating, the Northern Territory gives every impression of being on the move.

The physical symbol of the new and vigorous economy which is developing is the gas pipeline which will shortly come into commission and carry gas from the Palm Valley, south-west of Alice Springs, to Darwin, where it will fire the big new Channel Island powerhouse. The pipeline also passes Tennant Creek and Katherine (Alice Springs has its own pipe) and the relatively cheap gas is now beginning to substitute for the former expensive fuel oil or diesel.

It will not make the cost of power any lower, at first.

Consumers will have to pay off the \$300 million or so the pipeline and power stations cost. But when this is done, Territory consumers and industry can look forward to stable power drawn from their own energy resources. Also on the way is the development of oil and gas in the Bonaparte Gulf. When Palm Valley dries up in 20 years the Territory can draw from these huge offshore reserves and reverse the flow down the pipeline 1500km to Alice Springs.

The Northern Territory is also negotiating with South Korea for export markets for the Bonaparte Gulf gas. It



Holding ponds for the Ranger mine in Kakadu national park

will supplement the many minerals now being produced — bauxite at Gove, manganese at Groote Eylandt and uranium in the Kakadu region. There is also a big reserve of gold in the Jabiluka uranium body and the massive

gold-platinum-palladium project now being proved at Coronation Hill, south of Kakadu.

The economic development is just as important to eventual statehood as the political moves taking place. Businessmen say that while growth has slowed down because federal funds are being tapered off, there are still major opportunities opening up.

Neville Walker, for instance, who is managing director of listed Henry Walker Ltd, has interests in crocodile and fish farm-

ing, in construction, in the casino, in an airline and in grain milling. He is looking at other enterprises including a tourism development in Ambon on the Indonesian side of the Timor Sea. Like many Territorian businessmen, Walker has close Asian connections, some of which have arisen from contacts made at the Darwin casino.

The story is not all go, however. Asian money is behind Burgundy Royale, the group which built the Beaufort Hotel and the Raffles unit tower in Darwin. The project cost soared to \$77 million and principals in Darwin fear Westpac, which is owed \$23 million, may foreclose.

Westpac's chief manager in the Territory, Lyal Mackintosh, won't speculate about Burgundy Royale. But he is eager to talk about the way his bank is expanding in the Territory. It recently won the government's business from the Reserve Bank beating, reportedly, the ANZ Bank in a tender bid.

Mackintosh says average spending in the Territory is 60 percent higher than in the rest of Australia, partly a function of the young population. He is also pleased that the bank's growth



"He's been an absolute pain ever since that bit part in Crocodile Dundee."

NORTHERN TERRITORY REPORT

means that staff can now enjoy a career with the bank in the Territory.

The Territory's main need is people and these people will need jobs. Tourism is a major job creator, but the government is taking some interesting steps to create new employment possibilities. Work on a trade development zone is nearing completion close to Darwin. Director of the zone authority, Ray McHenry, reports considerable success in marketing the concept in Asian centres, particularly Hong Kong. By the end of the year he expects to have 20 ventures either committed to the zone or close to signing up.

The zone is on the east arm of Darwin Harbor, about 20 minutes from the city and airport by car. It is designed to provide bond facilities where components can be brought in for assembly and re-exported without duty. One attraction is the provision that allows investors bringing \$500,000 to Australia to seek permanent residency.

McHenry hopes the zone will also provide a useful distribution centre

for goods, such as timber, that are imported from South-east Asia. The haul from Asian ports to Darwin is much shorter than to southern cities, he argues. Even without the Darwin-Alice Springs railway, competitive back loading rates are available on trucks to distribute from Darwin all over Australia. Peter Blake, chairman of the ports authority, says clearance over the wharves at Darwin is much faster than



Construction at the Tindal air base: big boost for Katherine

in the south where goods may be held up for days or weeks.

Chief Minister Steve Hatton is maintaining the momentum, pushing for the railway that the commonwealth has failed to build. Hatton says he is close to putting together a

Banker Lyn Mackintosh close to putting together a tare imthe haul is much is, he arin-Alice te back close to putting together a package to "bridge the financial gap" of capital servicing costs in the first few years of the railway's operation. Darwin reports indicate he may sell off the government's houses to private investors to raise the cash.

Hatton says about 17 major contractors have said they would like to build the railway and some are offering financial packages as well. The pattern is the pipeline which is privately financed

and operated. "We intend that the railway will operate profitably from year one," Hatton says.

A study by Canadian Pacific consultants advocates a considerably simpler line than the original Australian National Railways proposal, designed to provide economic carriage of goods.

Elsewhere, the town of Katherine is receiving a massive shot in the arm from the development of Tindal air base for the F18 squadron. Work is racing ahead on the air base itself as well as scores of homes. Katherine is also benefiting from a big increase in horticulture and grain-growing. Further south, near Alice Springs, farmers have found a bonanza in table grapes which can be placed on southern markets months ahead of the local crop and which command a premium price.



The Beaufort Hotel complex: a shadow hangs over it

LIFESTYLE

Flavor is Asian and tropical

IT'S A fine but steamy Saturday morning in the Darwin suburb of Parap. In the middle of the shopping centre, under huge poinciana trees, 20 or 30 stallholders have set up shop.

You can buy fruits such as rambutans or mangosteens. There are piles of Chinese cabbage and more mundane vegetables. Handpainted T-shirts and kiddies' dresses are displayed on hangers. And clustered together are the Thai and Vietnamese foodsellers offering spicy chicken or beef soup, green pawpaw salad or freshly whipped-up fruit confections.

You see everybody in Darwin, it seems, sitting on the kerb at Parap sucking up soup on a Saturday morning. The smells, the sounds are those of a bustling Asian town. The experience brings home to the visitor that Asia starts across the sea and perhaps some of these people arrived by boat from Timor or Vietnam.

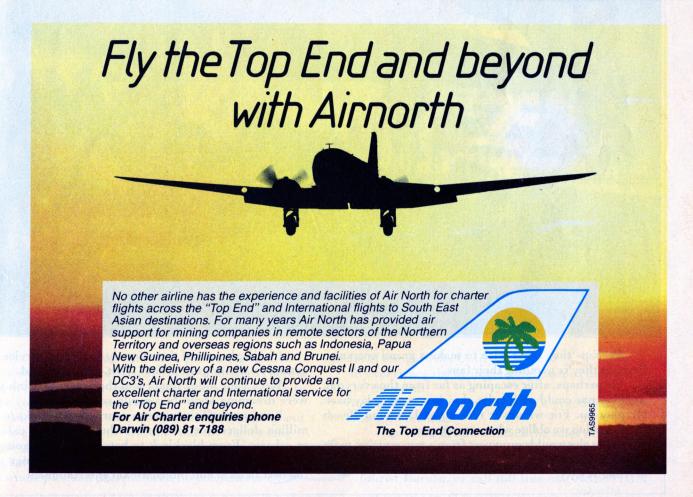
Two of the boats which brought the



The Parap markets: atmosphere of an Asian town

refugees to Darwin are on display at the city's excellent museum and gallery, along with a spruced up pearling lugger, renamed *Vivienne*. The gallery has

an excellent collection of South-east Asian art together with some of the best Aboriginal paintings and artefacts that I have seen.





The Vivienne, a pearling lugger, on display at the museum and art gallery complex

Taking its theme from Charles Darwin (after whom the Northern Territory capital was named), the museum has an impressive restaurant, the Beagle. The botanic gardens, which this month celebrated their centenary, also have a good restaurant.

At times, Darwin gives the impression of being perpetually on the town for dinner. There is plenty to choose from. You can dine on buffalo burgers or barramundi or enjoy region-

al Chinese cuisines. Then, of course, the Greek restaurants are as good as you'd expect in a city with a long Greek tradition.

Aspinall's private gaming club at the casino comes as a revelation in sophistication. Your host, in a dinner jacket, lets you in with an electronically coded key and you are ushered to a table to enjoy a Chinese cuisine in a French style. The wine list is as good as I have seen anywhere.

In the background there are roulette and blackjack tables. Occasionally one of the guests will wander over. The stakes are high: chips worth thousands of dollars are placed on bets. This woman is rated as "a hundred-thousand", that man as "a quarter-mill", — the amount they will wager each night.

Alice Springs, whose casino is kidstakes compared with the Darwin highrollers, has also blossomed in recent



Tropical housing in suburban Darwin



Darwin's Sheraton Hotel

years to cater for the tourist boom. Again there is a range of excellent restaurants and the Araluen art gallery and performing arts centre has built up a top reputation for its shows and exhibitions. The Namatjira retrospective, which brought back our best Aboriginal artist from relative obscurity, originated in Araluen.

The Darwin Institute of Technology

has just launched its own press. Its first publication is Arafura, a collection of 16 short stories which have won Northern Territory literary awards. The institute is also a bustling centre for pottery and photography, both of which have developed with a distinctive northern style.

The blight of the brick bungalow has sprawled over both Darwin and Alice

Springs. But in both cities, rebel architects have designed homes and buildings that come to terms with the demanding environments. Darwin's "troppo" houses look like confections in the stodginess of the city's northern suburbs. As you admire their sprawling verandahs and curtained terraces, you wonder how they can survive even a thunderstorm, let alone a cyclone.

DEFENCE

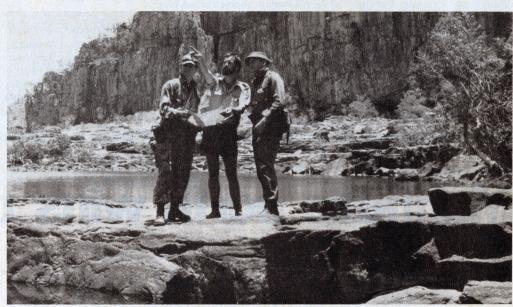
Norforce learns survival

LIEUTENANT - Colonel Neil Weekes is helping rewrite some of the army's training manuals. When he went into the bush with a six-man Aboriginal patrol from his reconnaissance unit, the Northwest Mobile Force (Norforce), Weekes noted that the soldiers foraged in their traditional manner. As they walked along, they were reaching out for native fruits and berries. On a tree, they would spy out the vines of yams and dig up the tubers. They would also trace bees back to their hive in a hollow tree and get honey. "On the move, these soldiers eat all the time," Weekes said. "I tried it and it works."

Norforce is trained to live off the land. The unit has squadrons — companies in normal infantry — located at three points in the Northern Territory and the Kimberleys region of Western Australia. In war, the mainly reserve soldiers would not normally be expected to engage an invading enemy but rather to shadow him, staying just out of contact and acting as the eyes and intelligence gatherers for the main forces.

The force is building up to about 500 troops. About 13 percent are Aborigines. They go into the field with Toyota Landcruisers or use boats to patrol the coastline. Norforce is responsible for keeping an eye on about a quarter of the area of Australia.

"The aim is for our people to get to know every part of their territory," Weekes said. "They talk to station people and list assets such as fuel stores and water supplies. Then they plant



Norforce in action: intelligence for the army

caches and locate lying-up areas to serve as bases during their patrols."

Soldiers of Norforce are licensed to shoot non-endangered game such as small kangaroos. They also cull wild donkeys in areas where they are a pest. All this plus any fish, goes into the pot. Fresh rations of fruit and vegetables are welcome after long patrols but many bush fruits, such as wild plums, are incredibly rich in vitamins, Weekes says.

Norforce headquarters are at Larrakeyah Barracks where the navy's four patrol boats are based. There is also an important RAAF basing at Darwin airport, which at present includes a Mirage squadron which will shortly be re-equipped with F18s. When the conversion is completed the squadron will take up residence in the new Tindal air base. The former minimal airfield now boasts kilometres of taxiways, and dispersal areas.

Katherine, which is at the junction of the north-south highway and the road to Kunnunurra and south to Perth, seems set to become one of Australia's major defence areas. The Dibb report recommends the eventual basing of a brigade group in the "Katherine-Darwin area". Katherine already sees soldiers from a reconnaissance regiment based at Holsworthy outside Sydney and this unit is likely to be the first to be transferred to the area.

Katherine's mayor, Pat Davis, welcomes the influx of the RAAF and potentially the army into her town. A joint committee including Territory, local government and defence representatives has smoothed the integration of the defence establishments into the town and will monitor progress as about 2500 airmen and women and their families arrive during the next two years.

In character, Darwin and Alice Springs are further apart than Melbourne and Sydney. Even in the dry season, Darwin is languid and fringed with palms and bougainvillea. The Alice sizzles in the summer months but can freeze on winter mornings. The red, rocky hills, the sandy bed of the Todd River assault your eyes in the middle of the day as the heat shimmers off.

BC – before the cyclone – Darwin had much of the same sort of character Broome has now: Laziness and old, faded tin-roofed buildings. Tracy blew all this away and the change has become a transformation.

The character of the Territory's cities and towns (which seem perpetually to be competing for the title of Territory Tidy Town or TTT) is important in the run-up to statehood. As with the political thrust and the build-up in the economy, an identifiable character and cul-



Darwin's casino: sophistication plus

ture are essential for true independence. The people identify themselves as Territorians with hearts and a thirst as big as buffalo horns.

The over-emphasised identity has probably been necessary because of the strong links with "the south" and the

social disruption caused by the need to leave home to complete an education or to find job promotion. Now, the expansion of business means the job opportunities are developing. And this year the government plans to launch a university college (affiliated with Queensland), against the wishes of the federal government which is refusing financial assistance.

The new university will be housed initially in the old Darwin Hospital, which is being renovated at a cost of \$6 million. Initially there will be about 150 students. Applications for places next year are already being invited and

so far there have been about 70, 50 or so from the Territory and the rest from interstate or overseas. Foreign students will pay full tuition costs. The Territory provides assistance to its students going interstate and ending these grants will help financially. \square

TRAVEL

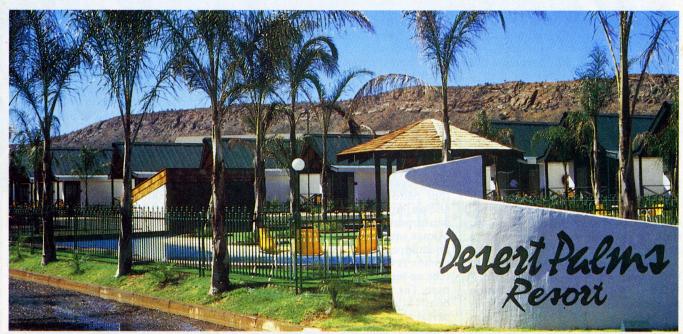
Magnetic north wins tourists

KAKADU is making news this year, not only in mining controversies but also in tourism. The big national park in the Top End of the Northern Territory will entertain about 100,000 visi-

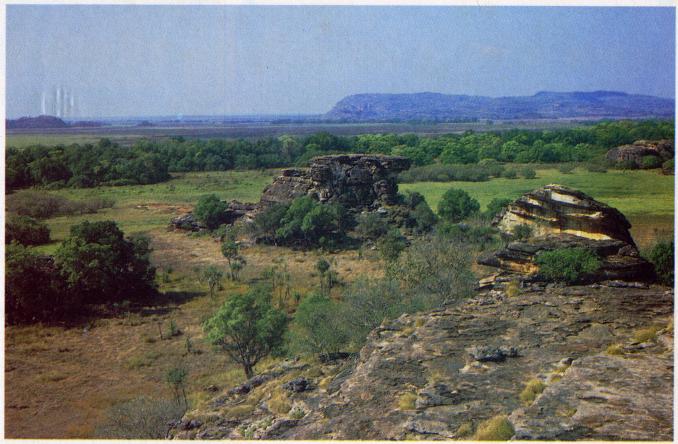
tors, many of them from overseas.

Bob Doyle, Northern Territory Tourism Commissioner, says that up to the end of the financial year overseas visitors to the Territory were up 80 percent and Australian visitors by 20 percent. They spent something like \$300 million, three times as much as was spent five years ago.

The expectation is that 1987 will be



New resorts in Alice Springs: ready for completion of the Stuart Highway



Kakadu in the dry: more visitors will arrive in the wet season to see the green transformation

an even bigger boomer. The round-Australia road is now sealed and the Stuart Highway, from Port Augusta, north of Adelaide past Ayers Rock to Alice Springs, Katherine and Darwin will be completely sealed by March. And overseas, the Territory is hooking itself to the coat-tails of *Crocodile Dundee* and the America's Cup.

Tourist development is booming but it has its flat spots. There was a big increase in the number of rooms in Alice Springs in anticipation of the sealing of the Stuart Highway. But when this was delayed, occupancy suffered. In Darwin, two five-star hotels are battling for the business. Beaufort is the operator of the financially troubled Burgundy

Royale property and its manager, Duncan Shakeshaft, says the hotel is hurt by the government subsidies handed out to the rival Sheraton group. As part of the deal to get the Sheraton to open at the three main locations — Yulara (Ayers Rock), Alice Springs and Darwin — the government makes up its earnings deficiency with a room-night subsidy.

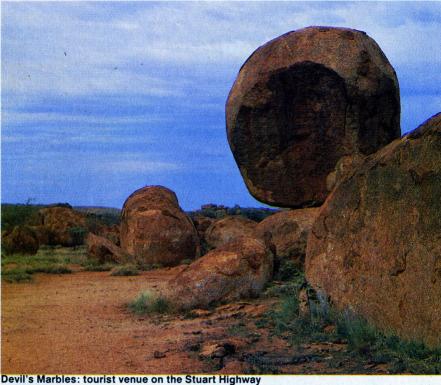
Darwin's Diamond Beach casino, seeing the cut-throat competition at the top end of the hotel range, has developed a strategy of closing down some of its sellable rooms to make way for suites that it allots to visitors from Asian countries it brings out on gambling tours.

The casino, like almost every indi-

vidual and organisation in Darwin, complains at the standard of the airport terminal, which is a converted hangar from before World War II that unfortunately managed to survive the cyclone. The federal government has refused to build a new terminal, to the Territory's vociferous disgust. The fact that the airport is a defence installation means that the Northern Territory government cannot secure title to land for a privately built terminal, although it is about to do this at Alice Springs.

Top End tour operators would like to see more international flights coming into Darwin. The casino says there simply aren't enough first-class or business-class seats available to allow it





to operate at the optimum level. The casino has even looked at chartering a jet but can't find a suitable one.

The growth in tourism means that the ambitious Yulara resort, which was branded a white elephant as recently as a year ago, is now doing well. Four Seasons, the Tasmanian operator, reports high occupancies and is investing heavily in the Territory. It has a property in Darwin, another in Alice Springs and has recently signed a management agreement with the Gagadju Association, owners of Kakadu Park, which invested its royalties in the Coo-

inda resort within Kakadu. Cooinda, with attractive tree-shaded bungalows, is close to many of the park's most notable attractions.

Bill King, who has sold out of the touring company bearing his name, is developing a Wilderness Lodge at Kings Canyon, between Alice Springs and Yulara. The Northern Territory Tourist Commission is using King to promote its latest brochure which offers camel safaris, balloon tours, sailing adventures in the Arafura Sea and personally guided angling tours of the north's barramundi rivers.

> This year, the commission is noticing a strong interest in travel during the summer months, traditionally the offseason.

The publicity given to Kakadu's wetlands, spectacular rivers and waterfalls has made them the focus of attention and new, all-weather roads have made them accessible.

The tourist industry is designing packages aimed at all markets from the family travelling in their own car to topof-the-range adventures that offer sightseeing by helicopter or buffalo shooting. Movies and controversy have put the Territory on the map as never before and roads now make it relatively easy to get around.



Kakadu art: world's oldest